

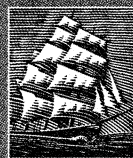
Exhibit O

Custodian Bank's Balance Sheet

State Street

State Street Corporation

December 31, 2001



STATE STREET.
For Everything You Invest In™

Consolidated Financial Statements

Consolidated Statement of Income

(Dollars in millions, except per share data)

Years ended December 31,

	2001	2000	1999
Fee Revenue:			
Servicing fees	\$ 1,624	\$ 1,425	\$ 1,170
Management fees	511	581	600
Foreign exchange trading	368	387	306
Processing fees and other — Notes C and N	279	272	179
Total Fee Revenue	2,782	2,665	2,255
Net Interest Revenue:			
Interest revenue	2,855	3,256	2,437
Interest expense	1,830	2,362	1,656
Net interest revenue — Note M	1,025	894	781
Provision for loan losses — Note D	10	9	14
Net interest revenue after provision for loan losses	1,015	885	767
Gain on sale of commercial banking business, net of exit and other associated costs			282
Total Revenue	3,797	3,550	3,304
Operating Expenses:			
Salaries and employee benefits — Note O	1,663	1,524	1,313
Information systems and communications	365	305	287
Transaction processing services	247	268	237
Occupancy	229	201	188
Other — Note P	363	346	311
Total operating expenses	2,867	2,644	2,336
Income before income taxes	930	906	968
Income taxes — Note Q	302	311	349
Net Income	\$ 628	\$ 595	\$ 619
Earnings Per Share — Note R			
Basic	\$ 1.94	\$ 1.85	\$ 1.93
Diluted	1.90	1.81	1.89
Average Shares Outstanding (in thousands)			
Basic	325,030	321,678	321,320
Diluted	330,492	328,088	327,503

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Condition

(Dollars in millions) As of December 31,

	2001	2000
Assets		
Cash and due from banks — Note K	\$ 1,651	\$ 1,618
Interest-bearing deposits with banks	20,317	21,295
Securities purchased under resale agreements and securities borrowed — Note F	16,680	21,134
Federal funds sold		650
Trading account assets	994	1,004
Investment securities (including securities pledged of \$9,006 and \$7,152) — Notes C and F	20,781	13,740
Loans (less allowance of \$58 and \$57) — Note D	5,283	5,216
Premises and equipment — Note E	829	726
Accrued income receivable	880	845
Other assets	2,481	3,070
Total Assets	\$69,896	\$69,298
Liabilities		
Deposits:		
Interest-bearing — U.S.	\$ 2,753	\$ 2,241
Noninterest-bearing	9,390	10,009
Interest-bearing — Non-U.S.	26,416	25,687
Total deposits	38,559	37,937
Securities sold under repurchase agreements — Note F	19,006	21,351
Federal funds purchased	3,315	955
Other short-term borrowings — Note G	1,012	632
Accrued taxes and other expenses — Notes P and Q	1,582	1,431
Other liabilities	1,360	2,511
Long-term debt — Note H	1,217	1,219
Total Liabilities	66,051	66,036
Stockholders' Equity — Notes H, I, J, K and R		
Preferred stock, no par: authorized 3,500,000; issued none		
Common stock, \$1 par: authorized 500,000,000; issued 329,999,000 and 167,219,000	330	167
Surplus	110	69
Retained earnings	3,612	3,278
Other unrealized comprehensive income (loss)	70	(1)
Treasury stock, at cost (6,329,000 and 5,508,000 shares)	(277)	(251)
Total Stockholders' Equity	3,845	3,262
Total Liabilities and Stockholders' Equity	\$69,896	\$69,298

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Consolidated Statement of Changes in Stockholders' Equity

(Dollars in millions, except per share data, shares in thousands)	Common Stock		Retained Earnings	Other Unrealized Comprehensive Income (Loss)	Treasury Stock		Total
	Shares	Amount			Shares	Amount	
Balance at December 31, 1998	167,225	\$ 167	\$ 63	\$ 2,272		\$ 22	6,560 \$ (213) \$ 2,311
Comprehensive Income:							
Net income			619				619
Change in net unrealized gains/losses on available-for-sale securities, net of related taxes of \$(48)				(70)			(70)
Foreign currency translation, net of related taxes of \$(6)				(9)			(9)
Total comprehensive income			619	(79)			540
Cash dividends declared — \$.30 per share			(96)				(96)
Common Stock issued pursuant to:							
Stock awards and options exercised, including tax benefit of \$22			(7)		(1,303)	67	60
Debt conversion			(1)		(47)	1	
Common Stock acquired					2,425	(163)	(163)
Balance at December 31, 1999	167,225	167	55	2,795		(57)	7,635 (308) 2,652
Comprehensive Income:							
Net income			595				595
Change in net unrealized gains/losses on available-for-sale securities, net of related taxes of \$48				66			66
Foreign currency translation, net of related taxes of \$(4)				(10)			(10)
Total comprehensive income			595	56			651
Cash dividends declared — \$.345 per share			(112)				(112)
Common Stock issued pursuant to:							
Stock awards and options exercised, including tax benefit of \$61	(6)		29		(2,547)	125	154
Debt conversion			(15)		(400)	16	1
Common Stock acquired					820	(84)	(84)
Balance at December 31, 2000	167,219	167	69	3,278		(1)	5,508 (251) 3,262
Comprehensive Income:							
Net income			628				628
Change in net unrealized gains/losses on available-for-sale securities, net of related taxes of \$55				77			77
Foreign currency translation, net of related taxes of \$(4)				(7)			(7)
Other				1			1
Total comprehensive income			628	71			699
Cash dividends declared — \$.405 per share			(131)				(131)
2-for-1 stock split in the form of a 100% stock dividend	162,785	163		(163)		139	
Common Stock issued pursuant to:							
Acquisitions			43		(2,490)	139	182
Stock awards and options exercised, including tax benefit of \$20	(5)		6		(1,802)	78	84
Debt conversion			(8)		(286)	9	1
Common Stock acquired					5,260	(252)	(252)
Balance at December 31, 2001	329,999	\$330	\$110	\$3,612		\$ 70	6,329 \$(277) \$3,845

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows

(Dollars in millions) Years ended December 31,

	2001	2000	1999
Operating Activities			
Net income	\$ 628	\$ 595	\$ 619
Non-cash charges for depreciation, amortization, provision for loan losses and deferred income taxes	398	383	341
Gain on sale of commercial banking businesses			(282)
Securities (gains) losses, net	(43)	(2)	45
Change in trading account assets, net	(52)	(218)	(451)
Other, net	(462)	(118)	(77)
Net Cash Provided by Operating Activities	469	640	195
Investing Activities			
Payments for purchases of:			
Available-for-sale securities	(19,160)	(5,688)	(16,175)
Held-to-maturity securities	(4,246)	(987)	(880)
Lease financing assets	(850)	(989)	(610)
Premises and equipment	(276)	(247)	(199)
Business acquisitions, net of cash acquired	(176)		
Proceeds from:			
Maturities of available-for-sale securities	7,758	5,351	5,082
Maturities of held-to-maturity securities	4,126	933	790
Sales of available-for-sale securities	4,758	1,464	6,066
Principal collected from lease financing	10	37	87
Sale of commercial banking businesses, net			1,659
Net proceeds from (payments for):			
Interest-bearing deposits with banks	978	(4,393)	(4,817)
Federal funds sold, resale agreements and securities borrowed	5,104	(3,856)	(3,949)
Loans	221	(724)	(217)
Net Cash Used by Investing Activities	(1,753)	(9,099)	(13,163)
Financing Activities			
Proceeds from issuance of:			
Non-recourse debt for lease financing	670	821	483
Long-term debt		300	
Treasury stock	64	89	38
Payments for:			
Non-recourse debt for lease financing	(53)	(45)	(104)
Long-term debt	(2)	(1)	(1)
Cash dividends	(127)	(106)	(93)
Purchase of common stock	(252)	(84)	(163)
Net proceeds from:			
Deposits	622	3,792	7,724
Short-term borrowings	395	2,381	6,649
Net Cash Provided by Financing Activities	1,317	7,147	14,533
Net Increase (Decrease)	33	(1,312)	1,565
Cash and due from banks at beginning of year	1,618	2,930	1,365
Cash and Due from Banks at End of Year	\$ 1,651	\$ 1,618	\$ 2,930

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